Sickness in SSI sector

2485. SHRI SURESH PACHOURI: Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) the magnitude of sickness in the small scale industry sector since the initiation of economic reforms process, year-wise;

(b) whether the sickness in the small scale industry sector is on the increase; .

(c) if so, the reasons therefore; and

(d) the steps taken by Government to solve the problem of sickness in the small scale industry sector?

THE MINISTER OF STATE OFTHE MINISTRY OF SMALL SCALE INDUSTRIES (SHRIMATI VASUNDHARA RAJE): (a) As per the data compiled by the Reserve Bank of India (RBI) from the Scheduled Commercial Banks, the number of sick SSI units in the country since the initiation of economic reforms process year-wise is as under:—

Year (As at the end of March)	Number of sick units
1991	221472
1992	245575
1993	238176
1994	256452
1995	268815
1996	262376
1997	235032
1998	221536
1999	306221
2000	304235
2001	249630

(b) The number of sick Small Scale Industries (SSI) units in the country as at the end of March, 1991 to 1995 had increased. However, the same has declined during 1996 to 2001 except in the year 1999.

(c) The main reasons for sickness are inadeuqacy of credit, technological obsolescence, marketing problems, infrastructural constraints, faulty planning, managerial deficiencies etc.

(d) The Government is fully seized of the problem of industrial sickness amongst the SSI units and has taken various measures to facilitate timely identification and rehabilitation of potentially viable sick industries, which *inter-alia* includes institutional mechanism in the form of State-level Inter-Institutional Committees, Special Rehabilitation Cells in banks and State Financial Institutions and elaborate guidelines issued by the Reserve Bank of India for extending rehabilitation assistance to eligible units. Further, with a view to strengthen the SSI sector and enhance its competitiveness, both domestically and globally, the Government has announced a Comprehensive Policy Package which consists of *inter-alia* enhanced fiscal and credit support, better infrastructural and marketing facilities and incentives for technology upgradation.

The RBI has circulated revised guidelines for rehabilitation of sick SSI units, which include *inter-alia* change in the definition of sick SSI units, norms for deciding on their viability, etc., on 16th January, 2002 to all the Scheduled Commercial Banks for implementation.

Revival of Small Scale Industries

†2486. DR. ABRAR AHMED: Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) the number of small scale industrial units in the country and the number of closed units and the steps being taken by Government to make them operational;

(b) whether the Banks are cooperating in reviving these sick units and whether the Banks are following the instructions to grant loan upto Rs. 25 lakhs without any collateral security to set up any unit of small scale industry; and

(c) whether Government are contemplating to enact any legislation to keep the small scale industry of the country alive?

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES (SHRIMATIVASUNDHARA RAJE): (a) and (b)The number

†Original notice of the question was received in Hindi.